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Lawrence J. Kahn (LK 5215)

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

-----X
TRANS POWER CO. LTD.,

Plaintiff,

-against-

J & F LIMITED,

Defendant.
-----X

08 CIV 5381 (LAP)

REPLY DECLARATION OF
KEUNG SHEK CHEUNG

Keung Shek Cheung, pursuant to 28 U.S.C. §1746 hereby declares and says the following under penalty of perjury:

1. I am the same Keung Shek Cheung who previously submitted a declaration in support of J&F Limited's motion to vacate the attachment in this action. I submit this Reply Declaration in further support of J&F's motion to vacate in response to the matters set forth in Trans Power Co. Ltd.'s opposition papers.

2. This Reply Declaration is submitted based upon my own personal knowledge.

3. Trans Power now claims that the amounts sought in the instant action as security are for "overpaid hire" with respect to its charter of the M/V VANGUARD, and that the amount sought is in excess of (and in addition to) the \$250,000 held in escrow in Hong Kong.

4. Trans Power's claim for "overpaid hire" is certainly frivolous. Trans Power has underpaid hire with respect to the charter between J&F and Trans Power.

5. Trans Power alleges that it overpaid hire for the period that the vessel was offhire following the collision. This is utterly false. Trans Power made no hire payments at all during this offhire period. A copy of Trans Power's account with J&F for the charter of the M/V VANGUARD is attached hereto as Ex. 1. Trans Power can not be heard to say that it overpaid hire when it did not pay hire at all.

6. It is J&F's understanding that non-party SK Shipping paid hire to Trans Power or provided security for same, even during the period when the vessel was offhire. So while SK Shipping may or may not have an overpaid hire claim against Trans Power, Trans Power does not have such a claim against J&F.

7. Trans Power also cannot be heard to say that it lost the use of the vessel during this offhire period, because during the entire offhire period, the vessel was chartered by Trans Power to non-party SK Shipping, which, J&F understands, paid hire in full. Such charter was the only use to which Trans Power expected to put the vessel, and it was used for this purpose during the relevant time.

8. Accordingly, Trans Power is fully secured already, its overpaid hire claim – now fully explained – is a fiction, and Trans Power should not be permitted to allege a loss of use claim as the vessel was in use by Trans Power during the period in question by reason of the charter from Trans Power to SK Shipping.

I declare under penalty of perjury of the laws of the United States of America that the foregoing is true and correct.

Dated: Hong Kong, China
27th August 2008

By: 

Keung Shek Cheung

J & F LIMITED.DATE: 20TH SEPT 2006**STATEMENT OF ACCOUNT**

M.V. "VANGUARD" / TRANS POWER CO., LTD. - C/P DATED 23/FEB/2006
DELIVERY: DLOSP SHANGHAI 3/MAR/2006 0548 GMT WITH IFO 454.70 MT MDO 90.59 MT
REDELIVERY: DLOSP SHANGHAI 2/AUG/2006 1418 GMT WITH IFO 447.88 MT MDO 87.56 MT

| DESCRIPTION | CREDIT/US\$ | DEBIT/US\$ |
|--|------------------------------|--|
| 1 CHARTER FROM 3/3/2006 0548 GMT TO 2/8/2006 1418 GMT 152.354167 DAYS X US\$8,500.00 ADD COMM 3.75% | 48,562.89 | 1,295,010.42 |
| 2 BUNKERS ON DELIVERY: IFO 454.70 MT X US\$310 MDO 90.59 MT X US\$520 BUNKERS ON REDELIVERY: IFO 447.88 MT X US\$310 MDO 87.56 MT X US\$520 | 138,842.80 45,531.20 | 140,957.00 47,106.80 |
| 3 OFF HIRE: CRANE NO.2 AT MUNDRA FM 15/4/2006 1330 HRS TO 15/4/2006 1600 HRS CRANE NO.1 AT HAZIRA FM 25/5/2006 1015 HRS TO 25/5/2006 1115 HRS CRANE NO.3 AT HAZIRA FM 25/5/2006 0830 HRS TO 25/5/2006 0930 HRS FM 25/5/2006 1100 HRS TO 25/5/2006 1700 HRS CRANE NO.2 AT HAZIRA FM 27/5/2006 1230 HRS TO 28/5/2006 2145 HRS OFF-HIRE SUB-TOTAL * 1/4. 0.455729 X US\$8,500 ADD COMM 3.75% IFO/MT-1.0 PER DAY. 0.46 X US\$310 MDO/MT-1.9 PER DAY. 0.87 X US\$520 | 3,873.70 141.28 450.26 | 145.26 |
| 4 REJECT CHRTRS CLAIM OFF-HIRE ABOUT WAITING TIME FOR REPAIR | | |
| 5 REJECT CHRTRS CLAIM OFF-HIRE ABOUT REPLENISHING FW AT SINGAPORE | | |
| 6 C/E/V 151.898438 DAY / 30 X US\$900 PMPR | | 4,356.95 |
| 7 JOINT ON-HIRE SURVEY CHARGE (US\$900/3) JOINT OFF-HIRE SURVEY CHARGE (US\$900/3) | 300.00 300.00 | |
| 8 INTERMEDIATE HOLD CLEANING / ILOHC LUGAIT, PHILIPPINES - PORT LOUIS, MAURITIUS (CEMENT) SUR, OMAN - MUNDRA, INDIA (UREA) MUNDRA, INDIA - B.I.K. IRAN (STEEL PIPES) SHUAIBAI, KUWAIT - ALBA JETTY, BAHRAIN (PETCOKE) MINA SAQR, U.A.E. - HAZIRA, INDIA (LIMESTONE) ILOHC NEW MNGALORE - NANJING (IRON ORE) | | 1,000.00 1,000.00 1,000.00 1,000.00 1,000.00 4,000.00 |
| 9 CHARTERERS' COMPENSATION FOR PETCOKE LOADING (LUMPSUM) | | 10,000.00 |
| 10 AP FOR CALLING LUGAIT (8-11/3/2006) AP FOR CALLING BAHRAIN (2-9/5/2006) | | 1,875.00 1,875.00 |
| 11 OWNERS' EXPENSES AT LUGAIT (WATCHMAN AND MEDICAL PHP12,300) OWNERS' EXPENSES AT (200 MT FW RS36885 X 0.03126) | 240.00 1,153.74 | |
| 12 HIRE PAYMENT | | |

| | | |
|---|--------------|--------------|
| 1 ST HIRE PAID ON 6/3/2006 | 310,910.14 | |
| 2 ND HIRE PAID ON 17/3/2006 | 123,146.34 | |
| 3 RD HIRE PAID ON 31/3/2006 | 123,135.14 | |
| 4 TH HIRE PAID ON 14/4/2006 | 125,146.34 | |
| 5 TH HIRE PAID ON 30/4/2006 | 123,933.28 | |
| 6 TH HIRE PAID ON 16/5/2006 | 124,146.34 | |
| 7 TH HIRE PAID ON 5/6/2006 | 137,862.51 | |
| 8 TH HIRE PAID ON 16/6/2006 | 123,146.34 | |
| 13 STATEMENT OF CLAIM- "VANGUARD" STRUCK BY "ABG POINEER" 25/6/2006 | | |
| A) MUMBAI PORT DISBURSEMENT (INR3,357,835) 1 USD = INR45.72 | | 73,443.46 |
| B) REPAIR DISBURSEMENT (INR2,350,994) | | 51,421.57 |
| C) NK INVOICE NO.HOS607203 - OS HULL DAMAGE | | 940.57 |
| D) NK INVOICE NO.HOS607204 - OS HULL | | 1,056.18 |
| E) NK INVOICE NO.HOS608147 - OS HULL | | 4,235.94 |
| F) SUPERINTENDENT ATTENDENCE EXPENSES | | 18,178.77 |
| G) NEW PLATES - PAINTING COST (RMB20,760.00) 1USD = RMB8.00 | | 2,595.00 |
| SUB TOTAL | 1,430,822.30 | 1,662,397.92 |
| BALANCE DUE TO OWNERS' | 231,575.62 | |
| GRAND TOTAL | 1,662,397.92 | 1,662,397.92 |

PLEASE PAY TO OWNERS BANK

"HSBC HONG KONG"

ACCOUNT NO.400-242434-838

SWIFT:HSBCHKHHHKH

BANK CODE:HSBC004

IN FAVOUR OF "J & F LIMITED"